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FM THE SITUATION ROOM//TOMAK 14//

TO PETER ROOMAN FOR THE SECRETARY

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TOHAK 14

JULY 28, 1975

MEMORANDUM FOR SECRETARY KISSINGER

FROM: THE SITUATION ROOM

SUBJECT: MORNING NEWS SUMMARY

THE WASHINGTON POST

CARROLL KILPATRICK REPORTS THAT PRESIDENT FORD PLEDGED TO AMERICA'S MUST POWERFUL ALLY IN EUROPE TO WORK TOWARD MORE INTIMATE ECONOMIC TIES AND TO HOLD A FOUR-POWER MEETING ON FINANCIL PROBLEMS IN HELSINKI LATER THIS WEEK. THE PRESIDENT TOLD WEST GERMAN CHANCELLOR SCHMIDT, WHO HAS ALSO PROPOSED AN INTERNATIONAL MONETARY CONFERENCE FOR LATER IN THE YEAR, THAT THE AMERICAN RECOVERY HAS REGUN IN A GRADUAL WAY. (A-1)

EGYPTIAN PRESIDENT SADAT SAID YESTERDAY THAT EGYPT'S ARMY IS IN A STATE OF FULL MOBILIZZATION AND ON 24-HOUR ALERT, AND THAT THE COUNTRY WILL HAVE "NO CHOICE BUT TO GET READY FOR WAR" IF THE CURRENT AMERICAN MEDIATION EFFORT FAILS TO BRING ABOUT A NEW ISPAELI WITHDRAWAL FROM THE SINAI PENIN-SULA WITHIN THREE MONTHS. (A-1)

GEORGE HILSON REPORTS THAT, ACCORDING TO ADMIRAL ZUMWALT, THE SOVIET NAVY PLANS BETTER THAN THE U.S. THE SOVIET NAVY HAS PROGRESSED SO FAR, ZUMWALT SAID, THAT IF THE U.S. NAVY HE DEPLOYED DURING THE YOM KIPPUR WAR OF 1973 HAD BATTLED THE SOVIET NAVY IN THE MEDITERRANEAN, "THE DDDS ARE VERY HIGH THAT THEY HOULD HAVE WON AND WE WOULD HAVE LOST." (A-1)

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ACCORDING TO NEWS DISPATCHES, A UNIT OF PORTUGUESE ARMY COMMANDOS OPENED FIRE YESTERDAY ON THE HEADQUARTERS OF THE MARXIST-GRIENTED POPULAR MOVEMENT FOR THE LIBERATION OF ANGOLA, KILLING 20 POPULAR MOVEMENT SOLDIERS AND 8Y-STANDERS AND HOUNDING 22. (A-1)

DEFENSE SECRETARY SCHLESINGER SAYS HE IS "CAUTTOUSLY OPTIMISTIC" ABOUT THE ABILITY OF THE U.S. TO MAINTAIN THE MARITIME BALANCE WITH THE SOVIET UNION. HE MADE THE FOLLOWING STATEMENTS ABOUT THE SEVIET NAVY IN HIS PISCAL 1976 POSTURE STATEMENT: "THE U.S. AND ITS ALLIES EMPHASIZE SEA CONTROL AND THE PROJECTION OF POWER ASHORE THROUGH ATTACK CARRIERS AND AMPHIBIOUS FORCES." (A-3)

J. WILLIAM MIDDENDORF II GAVE THESE VIEWS ABOUT THE SOVIET NAVY IN A TAPE RECORDED INTERVIEW: "THE LEADER OF THE SOVIET NAVY HAS A MUCH FASIER JOB" THAN HIS AMERICAN COUNTERPARTS. "FIRST OF ALL HE DOESN'T HAVE TO STOP AND GO FUNDING FOR HIS RESEARCH AND DEVELOPMENT PROGRAMS.... I SEE THE BIGGEST PROBLEM AS TOO FEW SHIPS TO MEET THE THREAT -- TO FULFILL OUR COMMITMENTS. MY WORRY IS WHETHER WE ARE GOING TO HAVE THE WILL IN THIS COUNTRY TO BUILD THE FLEET BACK TO WHERE WE CAN MAINTAIN THE INTEGRITY OF OUR NAVY AND SPEAK AUTHORITATIVELY IN WORLD COUNCILS, GIVEN THE FORMIDABLE THREAT POSED BY THE SOVIET NAVY." (A-3)

JOANNE OMANG MRITES THAT PRESIDENT PERON IS EXPECTED TO LEAVE TUESDAY FOR A HEEK'S VACATION WITHIN THE COUNTRY, A CHANGE OF PLANS THAT AUTHORITATIVE SOURCES CALLED A FINAL EFFORT TO SAVE HER PRESIDENCY. MRS. PERON'S ABSENCE FROM THE CAPITAL IS EXPECTED TO SLOW THINGS DOWN FURTHER, INWICREASING THE UNREST AMONG ARGENTINES BATTLING DAILY ECONOMIC PRESSURES AND AMONG THE MILITARY MEN WHO TRADITIONALLY MAVE STEPPED IN WHEN THEY VIEWED THE NATIONAL SITUATION AS CHAOTIC AND BEYOND THE CONTROL OF CIVILIAN GOVERNMENTS. (A-11)

ACCORDING TO TOM LAMBERT, PRESIDENT SAMORA MACHEL SHOVED HIS NEW PEOPLE'S REPUBLIC OF MOZAMBIQUE PIRMLY LEFTHARD WITH A SHEEPING PROGRAM NATIONALIZING THE COUNTRY'S LAND, SCHOOLS, MEDICINE, LAN, AND FUNERAL PARLORS. MACHEL ALSO GROFRED HIS COUNTRYMEN "TO GET READY TO GIVE ACTIVE AID IN THE STRUGGLE" OF BLACK NATIONALISTS IN RHODESIA. (A-15)

AN EDITORIAL STATES THAT THERE IS SCARCELY A MORE IMPORTANT FOREIGN POLICY VOTE FACING THIS SESSION OF CONGRESS THAN THAT OF HARRY BYRD'S AMENDMENT CALLING UPON THE SENATE TO JOIN THE HOUSE IN BLOCKING THE PRESIDENT FROM "NEGOTIATING THE SURRENDER

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OR THE RELINGUISHMENT OF ANY U.S. RIGHTS IN THE PANAMA CANAL ZONE." A VOTE ON THE SENATE PLOOR, ON AN AMENDMENT DEFEATED IN THE APPROPRIATIONS COMMITTEE LAST THURSDAY, IS SCHEDULED FOR TODAY. THE CONGRESS MAS A RIGHT AND DUTY TO JUDGE A NEW TREATY WITH PANAMA AND IT WILL HAVE EVERY OPPORTUNITY TO MAKE THIS JUDGMENT AFTER A TREATY HAS BEEN DRAFTED AND PRESENTED FOR APPROVAL! BECAUSE THE RETURN OF PROPERTY IS INVOLVED, THE MOUSE AS WELL AS THE SENATE WILL HAVE TO CONSENT (BY MAJORITY VOTE). THERE IS NO SUGGESTION THAT THE ADMINISTRATION IS TRYING TO SNEAK SOMETHING THROUGH. IT IS UDD THAT SUCH AN URGENT ADVOCATE OF CONSTITUTIONAL ORDER AS HARRY BYRD SHOULD FEEL OBLIGED TO GO TO THE FLOOR WITH A LEGISLATIVE AMENDMENT TO AN APPROPRIATIONS BILL -- AND ONE INVADING A PRESIDENT'S UNCHALLENGED POWERS AT THAT. HIS FELLOW SENATORS SHOULD SET HIM STRAIGHT. (A=22)

MICHAEL ADAMS WRITES THAT ISRAELIS AND OTHERS WHO FAVOR AN EVENTUAL OVERALL SETTLEMENT IN THE MIDEAST ARE WORRIED ABOUT THE ISRAELI GOVERNMENT'S CONTINUED POLICY OF ESTABLISHING JEWISH SETTLEMENTS IN THE OCCUPIED TERRITORIES. WITH MORE THAN SO SETTLEMENTS ALREADY ESTABLISHED AND WITH THE PROCESS OF COLONIZATION ACCELERATING THROUGHOUT THE OCCUPIED TERRITORIES, MANY ISHAELIS ARE EASILY UNAWARE OF THE INCONSISTENCY BETWEEN WHAT THEIR GOVERNMENT IS SAYING AND WHAT IT IS ODING ABOUT REACHING A POLITICAL AGREEMENT WITH THE ARABS, THE SETTLEMENTS ARE SO CLASSIC EXAMPLES OF THE WAY THE STATE OF ISRAEL HAS BEEN CONSTRUCTED; BUT IF THE OBJECTIVE IS TO ENSURE THE SURVIVAL OF THE STATE ITSELF, THE ISRAELIS WILL SOUMER OR LATER HAVE TO ABANDON THESE OUTPOSTS BEYOND THEIR BORDERS -- EVEN IF IT MEANS REVERSING THE COURSE OF ZIONIST HISTORY. (A-22)

GEORGE WILL WRITES THAT WHILE THE REST OF WESTERN EUROPE -EVEN SFAIN -- HAS BEEN DEVELOPING THE ECONOMIC AND CULTURAL
SKELETON OF A PLURALIST SOCIETY, PORTUGAL HAS SLUMBERED, A BORED
INVERTEBRATE. IT HAS KNOWN DESPOTISMS FOR CENTURIES, WITH
A BRIEF INTERLUDE OF REPUBLICAN CHAOS BETHEEN 1910 AND
1926. ON APRIL 25, 1974, THE BOREDOM ENDED WHEN THE ARMED
FORCES OVERTURNED THE OLD RULERS LIKE SO MANY CRUMBLING
STATUES. BUT AFTER LESS THAN 16 MONTHS OF DAYLIGHT, THE
PORTUGUESE ARE GAGGING ON PASSIONS AND PLUNGING BACK INTO
AN EVEN DARKER NIGHT, UNDER A GOVERNMENT WORTHY OF THE MONGOL
PEOPLE'S REPUBLIC. (A-23)

EVANS AND NOVAK CONTEND THAT A LONG, EXCEEDINGLY CORDIAL VISIY WITH PRESIDENT FORD LAST THURSDAY AFTERNOON BY VICE PRESIDENT ROCKEFELLER RESULTED IN BACKFIRING THE BUMP-TIOUS ANTI-ROCKEFELLER CAMPAIGN OF HOWARD CALLAWAY, INTENDED TO APPEASE THE REPUBLICAN RIGHT WING. ACCORDING TO A SENIOR WHITE HOUSE AIDE, MR. FORD SAID THURSDAY HE HOPED CAMPAIGN

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MANAGER CALLANAY WOULD DO MORE ORGANIZING AND LESS TALKING, IN THE FUTURE. IN FACT, THE ORDINARILY ACCESSIBLE CALLAWAY SPEND A PREVIOUSLY ARRANGED THREF-DAY WEEKEND OUT OF WASHINGTON AND OUT OF TOUCH. BUT HE WILL BE TALKING AGAIN TUESDAY MORNING AT A BREAKFAST HITH NEWSMEN, WHERE THE DILEMMA FACING THE FORD CAMPAIGN WILL BE INTENSE. FOR CALLAWAY TO REITERATE HIS REMARKS OF LAST WEDNESDAY NIGHT WOULD INVITE POSSIBLE PUBLIC REPUDIATION FROM MR. FORD. TO BACK AWAY FROM THEM WOULD FXACERHATE THE PRESIDENT'S SOUTHERN PROBLEMS. THE BENEFICIARIES AFF THE REAGANTIES -- OR, IN THE LONG RUN, THE DEMOCRATS. (A-23)

THE NEW YORK TIMES

MENRY TANNER WRITES THAT FOR THE FIRST TIME, EGYPT HAS BEEN USING LEVERAGE ON SOVIET NAVAL AND AIR ACTIVITIES TO WIN FINANCIAL CONCESSIONS FROM MUSCOW. (1)

JAMES MAUGHION MRITES THAT PRESIDENT FORD AND CHANCELLOR SCHMIDT AGREED THAT IT WAS "VITALLY IMPORTANT" THAT THE U.S INTENSIFY EFFORTS TO COORDINATE FCONOMIC POLICY WITH WESTERN EUROPE. (1)

FLORA LEMIS WRITES THAT PRESIDENT GISCARD D'ESTAING IS CONVINCED THAT "CONSERVATIVE DEMOCRACY IS CONDENNED" AND THAT HOST PEOPLE ALMOST EVERYWHERE "ASPIPE TO LIBERAL REFORM." "REFORM DEMOCRACY," HE SAID, IS THE KEY TO HIS ADMINISTRATION. (2)

THOMAS JOHNSON ERITES THAT AFRICAN FORFIGN MINITERS HAVE BEGUN A CAMPAIGN TO HAVE SOUTH AFRICA'S STATUS AS AN "INDEPENDENT SOVERFIEN STATE" DECLARED THEEGAL MITHIN THE WORLD COMMUNITY. THE MOVE, BEGUN IN THE CURRENT MEETING OF THE COUNCIL OF MINISTEPS OF THE DAU, IS EXPECTED TO BE EXTENDED TO THE UN GENERAL ASSEMBLY IN THE FALL. (2)

MARVINE HOME REPORTS THAT PORTUGAL'S SOCIALIST PARTY APPEALED FOR THE CREATION OF A GOVERNMENT OF NATIONAL SALVATION BACKED BY A MAJORITY OF THE PEOPLE TO AVOID THE RESTORATION OF DICTATORSHIP. (3)

JONATHAN KANDELL MRITES THAT THE RECENT DEPARTURE OF JOSE LOPEZ REGA HAS OPENED A STANGE INTERLUDE IN WHICH THE PRESS, TELEVISION, AND OTHER ARGENTING NEWS MEDIA ARE EMPLOY-ING MORE FREEDOM OF EXPRESSION THAN AT ANYTIME BEFORE IN TWO YEARS OF PERONIST RULE. (3)

DAVID PINOER REPORTS THAT THE HEAD OF THE PANAMANIAN GOVERNMENT SAID HE BELTEVED THE FORD ADMINISTRATION WAS

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STALLING REGOTIATIONS FOR A NEW PANAMA CANAL TREATY SECAUSE OF POLITICAL PRESSURES IN THE U.S. GENERAL TORRIJOS SAID HE WAS PROFOUNDLY DISTURBED ABOUT THE POSSIBLE CONSEQUENCES FOR HIMSELF AND HIS COUNTRY. (3)

KATHLEEN TELTSCH REPORTS THAT ARAB MEMBERS OF THE UN ARE LEADING A CAMPAIGN TO EXPEL OR AT LEAST SUBPEND IJRAEL, ARAB COUNTRIES, SUPPORTED BY OTHER MEMBERS OF THE THIRD WORLD AND BY COMMUNISTS NATIONS, MAY BE ABLE TO PREVENT ISRAEL FROM PARTICIPATING IN THE FORTHCOMING 30TH GENERAL ASSEMBLY SESSION IN THE SAME WAY THAT SSUTH AFRICA WAS EXECUDED LAST YEAR. (4)

A TIMES EDITORIAL COMMENTS THAT WITH A HASTE THAT IS BOTH UNNECESSARY AND OMINOUS THE CONGRESS IS MOVING TOWARD RUB-BER-STAMP APPROVAL OF A PAR-REACHING STRATEGIC COMMITHENT THAT AMERICANS MAY COME TO REGRET. THIS IS THE COVENANT GRANTING COMMONNEALTH STATUS -- HENCE U.S. CITIZENSHIP AND SOVEREIGNTY -- FOR THE NORTHERN MARIANA ISLAND CHAIN IN THE WESTERN PACIFIC. THERE ARE COUNTLESS QUESTIONS ABOUT THIS WHOLE ISSUE WHICH HAVE YET TO BE CONSIDERED BY MORE THAN A HANDFUL OF THE CONGRESS, INVOLVING THIS COUNTRY'S RELATIONS WITH THE UN AND WITH THE OTHER PEOPLES OF THE PACIFIC TRUST TERRITORY, NOT TO MENTION THE ENTIRE DEFENSE AND STATEGIC POSTURE OF THE U.S IN THE PACIFIC. BUT THIS IS THE FIRST AND LAST FORMAL OCCASION FOR CONGRESS TO EXPRESS ITS HILL ON JOINING THE MARIANAS TO THE U.S. IF THE BENATE ALLOHO ITSELF TO BE STEAM-ROLLED INTO A LITTLE-UNDERSTOOD PROPOSITION NOW, IT WILL BE ON WEAK GROUND TO COMPLAIN ONCE THE PROBLEMS ARISE. (20)

A TIMES EDITORIAL COMMENTS THAT BACKED BY A BERVILE PARLIAMENT IN HER SEIZURE OF SMEEPING EMERGENCY POWERS, INDIA'S
PRIME MINISTER GANDHI MAS SET ABOUT IN EARNEST TO ERASE
THE LAST VESTIGES OF FREEDOM IN "INDEPENDENT" INDIA. ALL
THIS RECALLS THE ABUSE OF EMERGENCY POWERS UNDER PRESIDENT
HINDENBURG IN MEIMAR GERMANY THAT OPENED THE WAY FOR HITLER.
THE EVOLUTION IN INDIA UNDOUBTEDLY WILL BE QUITE DIFFERENT,
MRS. GANDHI MAY SUCCEED IN RETAINING POWER MERSELF. WHAT IS
TRABIC ABOUT INDIA'S TREND IS THAT IT SUBVERTS THE PLANET'S
BIGGEST DEMOCRACY, MAKING THE MORLD'S DEMOCRATS EVEN HORE
OF A MINORITY NOW THAN BEFORE. MORE POIGNANT, THE WORLD
SOMEHOW EXPECTED HORE OF INDIA THAN OF LESSER STATES THAT
HAVE TRIED DEMOCRATIC GOVERNMENT BUT HAVE BEEN UNABLE TO
MAINTAIN IT. IT EXPECTED MORE, IN PART, BECAUSE OF THE
TWO GREAT NAMES MRS. GANDHI NOW DISHONORS, THAT OF HER FATHER
AND THAT OF THE FOUNDER OF DEMOCRATIC INDIA. (28)

T.N. KAUL COMMENTS THAT THE RECENT EVENTS IN INDIA, A CUL-

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MINATION OF A CONFLICT BETWEEN FORCES OF CHANGE AND FORCES OF STATUS OUR THAT HAS BEEN SHAPING UP FOR A LONG TITE. HAVE BEER MISREPORTED AND MISUNDERSTOOD IN THE WEST PARTLY BECAUSE THE REVOLUTION -- IT IS NO LESS -- IS SO IMMEDIATE THAT ITS IMPLICATIONS AND POSSIBLE SUCCESS OF FAILURE ARE NOT CLEARLY ASSESSED. THE BASIC CHALLENGE IN INDIA HAS NEVER BEEN WHETHER SHE SHOULD HAVE A DEMOCRATIC SYSTEM AS KNOWN IN THE WEST OR A TOTALITARIAN SYSTEM. THIS DEBATE IS ALIEN TO INDIA. THE POLITICAL STABILITY AND INDEPENDENCE OF INDIA DEPEND EXCLUSIVELY ON HER ABILITY TO MAINTAIN HER SECULARISM AND AN ECONOMIC APPROACH THAT WOULD LEAD TO ABOLI-TION OF POVERTY, LESSENING OF INFOUNLITIES OF WEALTH, AND MODERNIZING OF HER SOCIAL STRUCTURE IN A PEACEFUL MANNER. WILLIAM SPIRE COMMENTS THAT A GOOD PUBLIC RELATIONS MAN WOULD ADVISE YOU TO LET THE CURRENT PRESS CRITICISM OF THE FORTHCOMING HELSINKI SUPERSUMMIT RUN ITS COURSE. COMING WEEKS, THE MEDIA TORCH WILL PASS FROM PUNDITS TO CAMPRAMEN: A SUMMIT MAKES GOOD TELEVISION, AND THE FACES OF TELEVISION NEWSMEN AGAINST EXOTIC BACKDROPS WILL SET THE STAGE FOR YOUR PUBLIC-OPTATON COMEBACK. THEN YOU CAN BE EXPECTED TO COUNTERATTACK. IN A SERIES OF BACKGROUNDERS TO HUNGRY NEWSMEN, YOU MAY REVEAL YOUR "STRATEGY," (21)

THE BALTIMORE SUN

HENRY TREWHITT REPORTS THAT PRESTDENT FORD AND CHANCELLOR SCHMIDT LAID THE GROUNDWORK FOR A WESTERN MINI-SUMMIT MEETING IN HELSINKT THIS WEEK TO ACKNOWLEDGE FORMALLY ECONOMIC PROBLEMS AS THEIR GREATEST IMMEDIATE COMMON THREAT. (A-1)

GENE OISHI REPORTS THE THE BUNDESHERR, ONCE BURDENED WITH MEMORIES OF HITLER'S WEHRMACHT, IS SECOMING SOCIALLY ACCEPTABLE AND, BECAUSE OF THE CRUSH OF APPLICANTS, WOULD-BE VOLUNTEERS ARE BEING TURNED AWAY IN DROVES. (A-2)

HAL PIPER WRITES THAT LONG A SYMBOL OF RIVALRY BETWEEN THE WORLD'S TWO MOST POWERFUL NATIONS, SPACE BECAME FOR A WEEK A SYMBOL OF THEIR DETENTE, BOTH THEMES, RIVALRY AND DETENTE, SEEM LIKELY TO PERSIST IN THE AMERICAN AND SOVIET SPACE PROGRAMS: (A-4)

A SUN FOITORIAL COMMENTS THAT COMPROMISE BETWEEN THE PRESIDENT AND CONGRESS OVER THE SIZE AND NATURE OF WEAPONRY BEING SOLD TO JORDAN IS BOTH POSSIBLE AND DESIRABLE. TOO MUCH HARDWARE IS BEING SOLD ALL THE NATIONS OF THE MIDDLE EAST FOR ANYONE'S GOOD. HOWEVER, THE U.S. SHOULD SHOW ITS SUPPORT FOR JORDAN'S ISOLATED HODERATION IN THE MIDDLE FAST CONFLICT. JORDAN IS IN FACT NOT ISOLATED IN THE ARAB WORLD. ALTHOUGH THE CHANCES ARE THAT THE SUPREME JOINT COMMITTEE

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WHICH KING HUSAYN AND SYRIA'S PRESIDENT ASAD SET UP WILL ACCUMPLISH VERY LITTLE. A SLIGHT REDUCTION OF THE AGREED ARMS OFAL WOULD PUT THE PROPER MESSAGE ACHOSS, AND BE THE RIGHT RESPONSE TO JORDAN'S SHIFTS IN POLICY. (A-8)

R. H. SHACKFORD COMBENTS THAT MANY PROBLEMS FACE THE U.S. AS ITS THIRTY YEARS OF HEGEMONY OVER WHAT HE USED TO CALL "FREE ASIA" ARE ENDING. BUT THE SEVERAL TESTS COULD COME IN KORFA, WHERE AMERICANS ALREADY HAVE FOUGHT ONE WAR AND THERE IS CONCERN LEST IT STUMBLE INTO ANOTHER GREAT TRAGEDY. (A-8).

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